

United Tractors (UNTR): IDR 26,425 – BUY (from HOLD), SSI TP: IDR 29,600; Cons. TP: IDR 29,973



3Q24 Results: 30 October 2024			QoQ	YoY	YoY	9M24/	9M24/			
(IDRbn)	3Q23	2Q24	3Q24	(%)	(%)	9M23	9M24	(%)	SSI (%)	Cons. (%)
Revenue	28,921	32,102	35,043	9.2	21.2	97,598	99,558	2.0	77.5	79.8
Gross Profit	6,982	8,682	8,847	1.9	26.7	25,674	25,716	0.2	78.5	81.0
Operating Profit	5,521	7,117	7,146	0.4	29.4	21,201	20,856	(1.6)	78.0	82.3
EBITDA	7,794	9,934	9,929	(0.1)	27.4	27,849	29,152	4.7	80.2	83.0
Net Profit	4,132	4,985	6,059	21.6	46.6	15,349	15,592	1.6	81.7	85.9
Key Ratios										
GPM (%)	24.1	27.0	25.2	-	-	26.3	25.8	-	-	-
OPM (%)	19.1	22.2	20.4	-	-	21.7	20.9	-	-	-
EBITDA Margin (%)	26.9	30.9	28.3	-	-	28.5	29.3	-	-	-
NPM (%)	14.3	15.5	17.3	-	-	15.7	15.7	-	-	-

Peer Comparables

Ticker	Market		Current		Target	2024F				
	Cap.	Rating	Price	Price	Price	EPS Growth	P/E	EV/EBITDA	P/B	ROE
	(IDR Tn)		(IDR)	(IDR)	(IDR)	(%)	(x)	(x)	(x)	(%)
UNTR	98.6	BUY	26,425	29,600	29,600	(7.4)	5.5	2.3	1.0	22.4
DOID	5.1	N.R	670	N.A	N.A	(2.6)	(6.3)	3.4	1.3	(21.5)
ABMM	10.8	N.R	3,920	N.A	N.A	(38.6)	3.6	5.7	0.8	23.2
DEWA	2.1	N.R	94	N.A	N.A	(20.0)	3.3	2.3	0.4	0.9
Sector	116.5					(10.3)	4.7	2.7	1.0	20.2

SWOT Analysis of The Results (SSI: Above, Cons: Above)

Strength

Solid 3Q24 revenue growth, driven mainly by increased mining contracting activities (c.331 Mbcm; +8.9% QoQ, +20.4% YoY) and heavy equipment sales (1,174 units; +15.0% QoQ, -3.8% YoY), along with higher ASP thanks to favorable sales mix; FX gain of IDR 810bn (2Q24: IDR -311bn) on stronger IDR

Weakness

3Q24 coal mining revenue declined to IDR 6.05tn (-27.3% QoQ) due to lower sales volumes (c.2.6 MT; -26.5% QoQ, +2.3% YoY) on adverse weather and ASP (IDR 2.3mn/ton; -1.2% QoQ, -45.9% YoY); gold revenue dropped to IDR 2.64tn (-7.2% QoQ) as sales volumes fell to c.55 koz (-9.8% QoQ)

Opportunity

Higher coal production volumes ahead of the upcoming winter season, coupled with moderate La Niña projection, may boost volumes and demand for mining activities and heavy equipment

Threat

Potential decline in prices, driven by insufficient stimulus from China and reduced imports from India as the country pivots toward renewable energy, could adversely affect demand for coal and mining activities

Relative Performance vs JCI

